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**FISCAL IMPACT STATEMENT**

**LS 7832**

**BILL NUMBER:** HB 1653

**NOTE PREPARED:** Jan 7, 2005

**BILL AMENDED:**

**SUBJECT:** Permit issuance and immunity from liability.

**FIRST AUTHOR:** Rep. Wolkins

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill has the following provisions:

(A) It renames the Permit Assistance Center the Shovel Ready Site Development Center.

(B) It provides that the Center is within the Economic Development Corporation instead of the Department of Commerce.

(C) It requires the Center, in cooperation with political subdivisions, to create programs to enable political subdivisions to obtain all or part of any required federal, state, and local government permits to create sites that are ready for economic development.

(D) It provides that a real property owner is not responsible for the release or threatened release of a hazardous substance from the property if the owner demonstrates certain factors.

**Effective Date:** Upon passage; July 1, 2005.

**Explanation of State Expenditures:** *Provisions A-C:* The bill renames the Permit Assistance Center the Shovel Ready Site Development Center, and expands its duties to include establishing programs that enable political subdivisions to obtain all or part of any local, state, or federal permit, license, certificate, registration, or other approval in order to create sites that are ready for economic development. The bill also relocates the Center to the Indiana Economic Development Corporation (IEDC) which is established as of July 1, 2005. The changes made in this bill are, however, effective upon passage of the bill. The IEDC should be able to fulfill

these new duties with the staffing that presumably will be transferred from the IDOC to the IEDC under current statute on July 1, 2005.

Under current statute, the Permit Assistance Center is within the Indiana Department of Commerce (IDOC). The Center is required to provide information on permits required for business activities in Indiana; work with other Offices within IDOC in assisting applicants in obtaining timely and efficient permit review and the resolution of issues arising from permit review; and encourage the participation of federal and local government agencies in permit coordination. Current statute also requires the Center to establish an information file on all state agency permit requirements that affect business activities in Indiana. At the present time, the IDOC has tasked the Office of the Ombudsman within the Regional Operations Division with the permitting assistance duties specified under current statute for the Permit Assistance Center. The Office of the Ombudsman is comprised of one full-time employee. The November 4, 2004, state staffing table indicates that the IDOC has 31 vacant full-time positions, including regional office positions.

*Provision D:* This bill creates an exception for certain property owners to the liability of the release or threatened release of a hazardous substance from an owner's property. Currently, statute provides that the Department of Environmental Management (IDEM) may seek reimbursement for funds expended on the clean-up of a site contaminated from the release of a hazardous substance. Money for such clean-ups comes from the state's Hazardous Substance Response Trust Fund. If clean-ups are needed, for which the property owner is deemed not liable for the release of a hazardous substance, IDEM would not be able to seek reimbursement for the costs of the clean-up. The fiscal impact of this bill is indeterminable and is dependent on the number and extent of clean-ups for which costs may not be reimbursable.

*Background:* According to statute, the Hazardous Substance Response Trust Fund may be used for the following purposes:

- Financing contracts or cooperative agreements between the state and the President of the United States under Section 104 of CERCLA (42 U.S.C. 9604).
- Providing state assistance in the form of supplies, materials, services, and equipment to:
- Prevent the release of a hazardous substance or contaminant; or
- Control, contain, isolate, neutralize, remove, store, or dispose of any hazardous substance or contaminant already released into or on the air, land, or waters of Indiana.
- Financing response actions that are:
  - (A) undertaken or authorized by the commissioner with respect to sites in Indiana; and
  - (B) considered by the commissioner to be necessary to protect the public health or welfare or the environment from the release or threatened release of a hazardous substance or contaminant.
- Paying expenses related to releases of regulated substances other than petroleum from underground storage tanks under IC 13-23-13-7.
- Paying administrative and personnel expenses incurred by the state in responding to releases or threats of releases of hazardous substances or contaminants.
- Paying claims for the reimbursement of necessary response costs incurred by persons that have received preauthorization from the commissioner for reimbursement.
- Providing grants for household hazardous waste and conditionally exempt small quantity generator waste collection, recycling, or disposal projects under IC 13-20-20.
- Paying administrative and personnel expenses incurred by the department in implementing and administering household hazardous waste and conditionally exempt small quantity generator waste collection, recycling, or disposal projects under IC 13-20-20.
- Transferring funds to the environmental remediation revolving loan fund established by IC 13-19-5-2.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Indiana Economic Development Corporation, Indiana Department of Environmental Management.

**Local Agencies Affected:**

**Information Sources:** IC 13-25-4.

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